B. BOARD AND ADMINISTRATIVE ORGANIZATION

In addition to the leadership of individuals and constituencies, institutions recognize the designated responsibilities of the governing board for setting policies and of the chief administrator for the effective operation of the institution. Multi-college districts/systems clearly define the organizational roles of the districts/systems and the colleges.

IVB1. The institution has a governing board that is responsible for establishing policies to assure the quality, integrity, and effectiveness of the student learning programs and services and the financial stability of the institution. The governing board adheres to a clearly defined policy for selecting and evaluating the chief administrator for the college or the district/system.

IVB1a. The governing board is an independent policy-making body that reflects the public interest in board activities and decisions. Once the board reaches a decision, it acts as a whole. It advocates for and defends the institution and protects it from undue influence or pressure.

DESCRIPTIVE SUMMARY  The Los Angeles Community College District (LACCD) is comprised of nine related colleges, each of which is directly answerable to a seven-member board of trustees, in accordance with Education Code 70902. LACCD board members are elected for four-year terms district wide by voters in the city of Los Angeles and in neighboring cities without their own community college districts. Trustee elections are held on a staggered basis, with three or four seats being filled every two years. At its annual organizational meeting, the board elects a president and vice president to serve one-year terms. A district wide student election is held annually to select a student member - who has an advisory vote - for a one-year term.

Semi-monthly board meetings are held year-round at both the District’s central office downtown and at each of the nine college campuses during the academic year. In compliance with the Brown Act, all meetings are publicized at least 72 hours in advance and are open to the public. The Board meets twice a month on Wednesdays. Regular meetings are held the second Wednesday of the month and standing committee meetings are held the fourth Wednesday of the month. Special meetings are sometimes called to handle business that cannot be completely dealt with at regular meetings.

Closed session commences at 12:30 p.m. and public session starts at 3:30 p.m., allowing members of the community, employees, and students an opportunity to speak to the Board about their concerns. All nine college presidents, District Office senior staff, and representatives of employee unions, the District Academic Senate (DAS), and students sit at a designated resource table and may participate freely in the discussion of issues.
All policies must be approved by these elected representatives of the community. Once they are approved, they are posted on the District Office Website by General Counsel.

As elected officials elected at large, the Board represents the interests of a broad range of constituencies. An independent policy-making body, its members are elected at large across one of the most demographically diverse urban areas in the U.S. Its odd-year election schedule gives board races greater visibility on the ballot.

Board members work together collaboratively to support the interests of the district. The Board takes an active role in advocating for the interests of the colleges and the students they serve and in defending the colleges from undue interference. For example, board members have on several occasions united to support local college master planning decisions that were made through sound shared governance processes, despite the opposition of special interest groups.

The LACCD Board of Trustees exercises oversight of the college’s educational programs by means of board rules and administrative regulations that establish standards for graduation, set policies for curriculum development and approval, and detail the faculty’s central role in educational matters in accordance with the district’s stated mission. The Board must also approve or reject all changes to the curriculum that are brought before it from the District’s Office of Educational Programs and Institutional Effectiveness or the DAS.

The Board is directly responsible for guaranteeing the colleges’ integrity and financial health by periodically reviewing and approving the colleges’ mission and vision statements and by requiring quarterly reports from the college presidents on the colleges’ budgets. Through district administrative offices, the Board is also responsible for overseeing compliance with all federal, state, and local policies in relation to student financial aid and other fiscal programs.

Since 2000, district administrators, the Council of Academic Affairs (the assembled Vice Presidents of Academic Affairs), and the DAS have worked to streamline procedures for the approval of academic programs and courses. As part of this effort, administrative regulations have been revised to decentralize the curriculum approval process and empower local college faculty. In addition, the district has adopted a series of board rules.
mandating program review, biennial review of vocational programs, program viability review, and program discontinuance processes at the college level. These and other aspects of decentralization allow local college academic programs to be more responsive to local stakeholders.

The Chancellor, his executive assistant, and Board members regularly meet with state lawmakers and educational leaders to promote legislation and other initiatives intended to improve access for students and secure funding for special projects. The Board played a central role in promoting the Prop A, AA, and J bond initiatives passed in 2001, 2003, and 2008 that have provided more than $5.7 billion in badly needed capital construction funds for projects on all LACCD campuses. These projects are directly benefitting instructional programs and expanding career/technical education program facilities. The District also has access to over $300 million in state of California matching funds, bringing the total available to over $6 billion. As a result, 85 new structures will meet LEED (Leadership in Energy and Environmental Design) standards. Additionally, the LACCD is generating solar power on all of its campuses and taking other steps to reduce the colleges’ carbon footprint.

IVB1c. The governing board has ultimate responsibility for educational quality, legal matters, and financial integrity.

DESCRIPTIVE SUMMARY

The Board monitors the educational quality of LACCD programs through the following standing committees, which have been restructured for 2010-11:

1. The Institutional Effectiveness Committee (formerly the Committee on Planning and Student Success) addresses issues related to educational effectiveness, student achievement, and educational programs. It also oversees the colleges’ accreditation planning process. The committee requires the colleges to report annually on progress made on all college strategic planning goals, including those relating to student success and SLO proficiency. During these formal reports to the Board in open session, the colleges review and discuss ARCC AB 1417 outcome measures and college progress in relation to the District’s Core Indicators of Institutional Effectiveness.

2. The Finance and Audit Committee reviews and recommends adoption of the tentative budget to the full board by July 1st of each year. It also reviews and recommends the acceptance of the annual financial audits for both the general financial operation of the District and the bond program’s financial audit to the full board by September 15th of each year. The committee reviews quarterly financial reports, reviews internal audit reports semi-annually and/or quarterly, receives information on bond financing issues, receives
3. The Legislative Committee makes recommendations and considers proposals regarding legislative initiatives for the benefit of the District. It makes recommendations and reviews proposed state and federal statutory and regulatory legislation, reviews the effectiveness of authorized lobbying efforts on behalf of the District, and considers and discusses other related matters deemed appropriate by the chair in consultation with the Chancellor and the President of the Board.

4. The Capital Construction Committee acts as the public forum for presentations on the college master plans and certification of environmental impact reports. It facilitates discussion on compliance with board-established sustainability and energy goals for infrastructure and curriculum as new concepts and technologies are brought forward. It also receives reports on accomplishments and general policy compliance, hears policy issues, and receives briefings on technical issues and other matters related to the District’s sustainable building program. The committee receives formal conceptual design presentations on each new building and remodeling project with budgets in excess of $5 million prior to approval, and considers other related matters.

The Board sets goals and provides a sense of direction for the colleges through its District Strategic Plan. Part of overall planning efforts, the plan is derived from goals set by the State Chancellor’s Office. In spring 2010, the District Planning Committee evaluated the current plan and issued a scorecard with suggestions for its revision. In spring 2011, the District began another comprehensive district wide strategic planning process that will guide the District for the next five years, 2012 to 2017. More than 40 focus groups, including input from faculty, students, classified staff, and administrators, were held in fall 2011 at each college and the District Office to identify district wide strengths and weaknesses and suggest future priorities. Based on the vision and timeline developed by the District Office of Educational Programs and Institutional Effectiveness and adopted by the District Strategic Planning Committee, Vision 2017 (as the next five year plan will be called) is set to be presented to the Board of Trustees in May 2012.

In conjunction with the Chancellor’s Office and General Counsel, the Board is apprised of and assumes responsibility for all legal matters associated with the operation of the nine campuses. The District Budget Committee (DBC) bears responsibility for monitoring all aspects of district and college finances. An independent audit of the district’s and the colleges’ financial statements and accounting practices is made annually by an outside agency. The Board, the college presidents, and the public are provided
periodic updates and presentations regarding the LACCD’s financial condition.

SELF EVALUATION

The ultimate responsibility for policies and decisions impacting all nine colleges lies with the Board, which has significantly expanded its role in oversight of the quality of college instructional programs. Annual college strategic planning reviews allow the Board to play a more direct role in assuring that the colleges and the district are in sync by requiring that colleges demonstrate how their goals align with the District’s. They also provide the Board with the opportunity to hold the colleges publicly accountable for meeting the quality assurance standards associated with their educational master plans and strategic planning efforts.

To monitor the financial integrity of the District’s multi-billion dollar capital construction project, the Board tightened the management of the program by:

1. Approving the creation and staffing of an independent Office of Inspector General, which reports to the Chancellor and the Board and is responsible for conducting an ongoing review of performance, financial integrity, and legal compliance. Since taking office, the Inspector General has issued a series of reports, a number of which have resulted in corrective actions undertaken by the LACCD.
2. Approving the creation of a Whistleblower Program for both bond and non-bond related issues so that anyone may confidentially report on issues that need investigating.
3. Instituting limits on the “multiplier” or markup that firms participating in the management of the building program can charge for employing Building Program staff.
4. In response to concerns expressed by the California State Controller’s office, the District has instituted a variety of reforms to the Building Program.
5. The Chancellor and the District board of trustees have taken action to strengthen the operation of the District Citizens’ Oversight Committee, mandated by law to oversee the Building Program.
6. The Chancellor appointed an independent review panel to examine the LACCD’s $6 billion building program. The 10-person panel of distinguished citizens is currently completing its examination of various aspects of the program, focusing on making recommendations for improvement of policies and processes.
7. In response to concerns raised about the process by which the Inspector General was selected, the District has engaged the office of Los Angeles City Controller Wendy Greuel to review the process.

On its most recent annual independent audit, the District received a rating of “unqualified” on its basic financial statements, the type of report that is
issued when financial statements are free of misstatements in accordance with generally accepted accounting principles. However, the audit did point out weaknesses in the Capital Assets and General Obligation Bond Program and deficiencies with regard to employee benefits, risk management, information technology, federal financial aid awards, one annual performance report, and one college's proper tagging of equipment and inventory control. Additional findings were reported for state apportionment census reporting, actively enrolled students, concurrent enrollment of K-12 students, and a discrepancy between reported enrollment fee revenues and the District's Annual Financial and Budget Report.

As a result of these findings, all college personnel from each of the areas with any deficiency were required to attend a mandatory meeting with the Office of Budget and Accounting and the District's Internal Audit Department to discuss the findings and take immediate corrective action.

The Internal Audit Department has been tasked with working with all the colleges to enhance and enforce current policies, procedures, forms, and monitoring controls to ensure that campuses are uniform and in compliance with all federal, state, and local regulations.

**IVB1d. The institution or the governing board publishes the board bylaws and policies specifying the board’s size, duties, responsibilities, structure, and operating procedures.**

**DESCRIPTIVE SUMMARY**

The duties and responsibilities of the board are defined externally by State Education Code, Section 70902, and internally by board rules. The Chancellor and General Counsel also play an important role in monitoring board responsibilities. The bylaws and policies are published on the District’s Website.

**SELF EVALUATION**

The LACCD’s own internal checks and balances have ensured compliance with the Board’s externally and internally defined duties and responsibilities.

**IVB1e. The governing board acts in a manner consistent with its policies and bylaws. The board regularly evaluates its policies and practices and revises them as necessary.**

**DESCRIPTIVE SUMMARY**

The process for the adoption of board rules and the administrative regulations that support them are outlined in Chancellor’s Directive Number 70, District wide Internal Management Consultation Process. These rules and regulations established through the consultation process are subject to regular review and revision by district administrative staff to ensure that they remain appropriate and effective. Revisions are reviewed and
considered for adoption at board meetings.

The Board relies on the Chancellor, the college presidents, and the District Office executive and senior staff to ensure that all rules and regulations are implemented uniformly and effectively across the district. Rules and regulations are assigned by category to District Office subject matter experts for triennial review. When Board Rules (policy) or Administrative Regulations (how to implement the policy) are in need of revision, the subject matter expert is charged with preparing and consulting changes appropriately, then putting them forward for the applicable approval process. Board rules are adopted by the Board of Trustees, and Administrative Regulations are issued under the authority of the Chancellor. In addition to these regulatory means, the District adopts other procedures, such as its Business Procedures Manual or Chancellor’s Directives, to establish consistent standards.

In February 2007, the board adopted Administrative Regulation C-12, which stipulates the process for the cyclical, automatic review of all policies and regulations. In August 2011, District Office senior staff engaged in reflection and self-evaluation on the regularity of the LACCD’s rule review.

The trustees act in accordance with established policies. When constituents or District Office staff bring issues in need of revision to the Board, policies are changed, as needed. For instance, when it was brought to the Board’s attention that board rules precluded adjunct faculty from serving on presidential selection committees, the Board changed the rule to allow participation. Working in collaboration with the DAS, the Board revised district hiring procedures by adopting the state minimum qualifications for all faculty positions. The Board also revised district wide faculty hiring policies to streamline procedures and give campuses direct control over their own hiring processes. Additionally, the Board recently updated its policy on the delegation of authority to college presidents to manage the Child Development Centers.

**IVB1f. The governing board has a program for board development and new member orientation. It has a mechanism for providing for continuity of board membership and staggered terms of office.**

The Board adopted a formal policy for the orientation of new board members. The board has also developed procedures for the orientation of student trustees. Two newly-elected trustees participated in orientation sessions this past year. These orientations included information about accreditation standards and ACCJC expectations that board members be involved in all aspects of accreditation.
SELF EVALUATION

While there is no formal guarantee of continuity of leadership, the staggering of board elections does provide some consistency. The fact that incumbents are frequently re-elected to their positions provides a measure of continuity to governance; however, the student trustee position does change every year.

IVB1g. The governing board’s self evaluation processes for assessing board performance are clearly defined, implemented, and published in its policies or bylaws.

DESCRIPTIVE SUMMARY

The Board’s formal policy on self-evaluation was adopted in 1995. For the following decade, the Board used a self-evaluation checklist to evaluate its overall effectiveness. In June 2005, the Board reviewed and amended its self-evaluation process, this time expanding it to include additional feedback on its performance from college presidents, district senior staff, and union and academic senate representatives, who regularly sit at the resource table during board meetings. Using this revised process, the Board conducts annual self-evaluations, scoring its performance in 20 general areas and reporting on its self-assessment and the summarized evaluations of constituency representatives.22

In response to an ACCJC recommendation that board goals be set as part of its annual self-evaluation, the Board of Trustees adopted Board Rule 2301.10 in October 2007.23 At its annual retreats, it establishes new Board goals. At its December 2010 retreat, the Board decided to adopt as its goals the District Strategic Plan goals in order to concentrate on them in the plan’s final year. At its August 2011 retreat, the Board assessed District directions and priorities and discussed processes for addressing them.24

To increase both follow-through and accountability at the district level, in 2010 the Board adopted a District Effectiveness Review Cycle, which aligns annual board and CEO goals with the goals of the District Strategic Plan and implements a series of annual district and college effectiveness reports to the board.

This annual cycle was designed to achieve the following:
1. Assure that district level strategic goals are implemented and monitored
2. Synchronize the Board’s annual goal setting process with the traditional academic calendar
3. Align annual Board goals with those of the Chancellor, the college presidents, and District Senior Staff
4. Establish a regular process for college Institutional Effectiveness reporting that aligns with the Board’s
The annual cycle includes five stages:
1. Annual Board Evaluation
2. Annual Board Retreat
3. College Activities in Support of Goals
4. Annual College Institutional Effectiveness Reports
5. Annual District Effectiveness Report

As a result of its most recent self-evaluation, the Board streamlined the number of standing committees from seven to four. The new District Effectiveness Review Cycle is increasing the board’s ability to monitor district-wide progress on all district-level strategic goals and board priorities and is guiding district-level decision making.

**IVB1h. The governing board has a code of ethics that includes a clearly defined policy for dealing with behavior that violates its code.**

**DESCRIPTIVE SUMMARY** The Board adopted a Statement of Ethical Values and Code of Ethical Conduct in October 2005, which requires each member to adhere to values of honesty, integrity, reliability, and loyalty. With input from district legal counsel, in February 2007 it established procedures for sanctioning board members in case of ethics violations.

**SELF EVALUATION** The Board has a clear code of ethics and a process in place for sanctioning behavior that violates the code.

**IVB1i. The governing board is informed about and involved in the accreditation process.**

**DESCRIPTIVE SUMMARY** To ensure that the trustees are knowledgeable about accreditation standards, including those that apply to the board, the Board’s Institutional Effectiveness Committee (formerly the Committee on Planning and Student Success) monitors the accreditation self evaluation processes of the nine colleges by receiving regular reports on their progress and reviewing their comprehensive self study, midterm, and follow-up reports. The Board works with this committee to ensure that past recommendations are appropriately addressed. During site visits, board members meet with visiting teams, respond to questions and concerns, and participate in other forums, meetings, and receptions.

In fall 2007 the Chancellor created the position of District Liaison for Accreditation, reporting directly to the Vice Chancellor of Institutional
**DESCRIPTIVE SUMMARY** (continued)

Effectiveness. The Liaison coordinates the reporting process so that the Board is kept apprised of accreditation efforts at the colleges. The Liaison and the Vice Chancellor of Institutional Effectiveness meet regularly with faculty accreditation chairs and ALOs to provide assistance, coordinate efforts, share best practices, and provide information necessary to answer the standards in self study reports and respond to ACCJC recommendations that relate to the district.

**SELF EVALUATION**

Through the active oversight provided by the Board’s Institutional Effectiveness Committee, board members have become more engaged in and aware of the accreditation process. At the present time, all district colleges have had their accredited statuses re-affirmed by the ACCJC. More importantly, the accreditation self evaluation process at all district colleges has become much more pro-active, collaborative, and collegial than in the past. District colleges are now approaching accreditation self studies as essential elements in strategic planning and institutional processes. In addition, board members attend workshops at the Community College League conference involving topics such as accreditation expectations of the ACCJC.

**IVB1j.** The governing board has the responsibility for selecting and evaluating the district/system chief administrator (most often known as the chancellor) in a multi-college district/system, or the college chief administrator (most often known as the president) in the case of a single college. The governing board delegates full responsibility and authority to him/her to implement and administer board policies without board interference and holds him/her accountable for the operation of the district/system or college, respectively. In multi-college districts/systems, the governing board establishes a clearly defined policy for selecting and evaluating the presidents of the colleges.

**DESCRIPTIVE SUMMARY**

Pursuant to California Ed Code, the board employs the chancellor and gives him/her full authority and responsibility for the proper conduct of the business and educational programs of the district. Board policy specifies the employment procedures for academic administrators, including the chancellor.28 The hiring of the chancellor starts with board action authorizing the Human Relations Division to launch a search. After the chancellor is selected, a policy outlines procedures for his/her annual evaluation.29 The board solicits input from various constituencies and collects the data to evaluate the chancellor’s performance on a number of criteria.30 The most recent evaluation of the current chancellor, who was hired in August 2010, was conducted in May 2011, prior to renewal of his contract.

The chancellor and senior staff oversee the administrative tasks of the district. The chancellor also oversees the district foundation to obtain
additional resources. He/she meets regularly with the cabinet, comprised of senior staff and the college presidents, and has regular consultations with the leadership of the employee unions and the DAS. The chancellor considers recommendations on financial matters from the District Budget Committee (DBC) and on employee benefits from the Joint Labor Management Benefits Committee (JLMBC). In keeping with Ed Code provisions, the board delegates its authority to the chancellor, gives him/her the autonomy to make decisions without interference, and holds him/her accountable for those decisions.

The board shares responsibility with the chancellor for hiring and evaluating the performance of district vice chancellors, college presidents, and the General Counsel. Board rules specify selection procedures for the chancellor and other key administrative positions, which typically involve national searches. Hiring committees are comprised of representatives of all stakeholder groups, including faculty, students, staff, and community representatives. In accordance with the Brown Act, the board approves employment contracts and compensation in open session.

One of the chancellor’s duties is to conduct regular evaluations of the college presidents in accordance with board rules and make recommendations to the board on the renewal of their contracts. The process for the evaluation of college presidents, which has been in place since 2002, has been facilitated by the Chancellor's Office, with three presidents undergoing a comprehensive evaluation each spring. A formal written policy spells out the process. The description is included in the packet with the forms that are used to collect information.

A new evaluation process was developed by the Chancellor in spring 2011, to be used during his first year as chancellor so that he would have one year of experience in working with college presidents before returning to the more comprehensive evaluation. The new process requires the college presidents to evaluate their performance, provide outcome measures of effectiveness, and set new goals for the upcoming year.

The broadening of hiring procedures in 2000 to include all stakeholder groups has increased community and faculty involvement in the selection of the chancellor and the college presidents. In the past, an outside consultant was hired to facilitate the evaluation of key administrative personnel, as well as the chancellor, through interviews with relevant college constituency groups. The Chancellor is viewing the evaluation process as a long term undertaking which he will be involved in designing.

IVB2. The president has primary responsibility for the quality of the institution
he/she leads. He/she provides effective leadership in planning, organizing, budgeting, selecting and developing personnel, and assessing institutional effectiveness.

DESCRIPTIVE SUMMARY

The College’s former president of ten years retired in July 2010, and the new president began immediately thereafter. Consistency in leadership through the previous decade had enabled the College to upgrade its governance and planning processes as required by accreditation recommendations with a stable administrative team at the helm; and the interim visitation in 2008 resulted in the expression of full confidence that the integration of planning and budgeting at the “proficiency” stage would be fully operative by 2012. Yet a significant minority of the campus community still lacked confidence that the actual process adequately conformed to formal procedures. It was the responsibility of the incoming president to remove all doubt.

The 2006 Self Study pledged the College to address any remaining lack of confidence in governance structures and procedures on the campus. The primary concern was that the process was occasionally circumvented if not formally violated, resulting in a sense that sometimes the final decisions were made “behind closed doors” and the reasons behind them not aired publicly.

An example is the College decision to schedule the 2010 Summer Session. Recommendations of the College Planning Council (CPC) are not technically binding on the College President, but the Participatory Governance Document does provide that when these recommendations are not accepted, a formal explanation is to be provided. CPC, acting on the advice of its Academic Affairs and Budget Committees, did not recommend scheduling the 2010 summer session due to severe budget constraints, but the session was scheduled in any case, and for reasons never formally explained.

As soon as President Martinez had taken office, he moved immediately to assure full transparency and confidence in the decision-making process by giving the entire campus community a “seat at the table” through the campus wide summit on strategic vision in fall 2010, thereby providing a forum in which nearly 150 faculty, staff, students, and administrators came together. The turn-out was significantly larger than for any such event in years, and participation in Summit II: Accreditation Progress in spring 2011 was equally enthusiastic.

In Summit I the campus community created a vision for the College’s updated Educational Master Plan and evaluated the progress made towards the Seven Goals to Achieve Student Success specified in that plan. During Summit II, the campus community broke out into groups divided by
managerial units to complete their group accreditation checklists and then regrouped to complete an online campus Climate Survey designed to take the “pulse” of the campus. Participants were surveyed on a range of topics including goals of the campus, student success, departments, and workplace environment. President Martinez also strengthened confidence in the decision-making process by actively participating in committee meetings, discussing issues openly in meetings, and seeing to it that key committees held to their regular meeting schedules.

The President meets regularly with the AFT Staff Guild, AFT Faculty Guild, SEIU 721 Leadership, and the Academic Senate Executive Leadership. President Martinez has also outreached to the Association of Students Organization (ASO), as well as to students in general by collaborating with the ASO on Student Town Halls with Elected Officials, inviting the ASO leadership and students to various events on campus, hosting a series of events entitled Brownbag Lunch with President Martinez, which gives students an opportunity to engage President Martinez in a question and answer session, as well as attending ASO and various student club meetings and student events.

Finally, President Martinez initiated the recent review of the role of the College Planning Council (CPC). At the November 2011 College Planning Council (CPC) Retreat, CPC clearly outlined its scope of services, clarified its procedures, and identified measurable goals that could be used to evaluate its success and where improvements could be made. CPC further strengthened its inclusiveness by agreeing that any one member of the four constituent groups – faculty, staff, administrators, and students – could serve as a co-chair.

Improvements in the decision-making process have increased the effectiveness of college planning and budgeting and improved the selection and development of personnel as well as the assessment of institutional effectiveness.

Completing the integration of College planning and budgeting was addressed by the new president primarily in three ways, all detailed at various points previously in this Report: (1) the College Budget Committee took on the larger analysis functions called for in the 2006 Self Study and communicated to the College community in meetings attracting substantially more attendees than its formal membership; (2) the College Summits in 2010 and 2011, each involving over 140 participants, focused college wide attention on the formal processes themselves; and (3) the first of an annual series of College Planning Council retreats strengthened the CPC evaluation of its own functions.
SELF EVALUATION  

The planning process now in place ties all unit plans to program reviews and all budgeting to plans. The College’s Office of Institutional Effectiveness (embracing the former office of Research and Planning) is effective in providing the background information needed for data-driven decisions by all units.

IVB2a. The president plans, oversees and evaluates an administrative structure organized and staffed to reflect the institution’s purposes, size, and complexity. He/she delegates authority to administrators and others consistent with their responsibilities, as appropriate.

DESCRIPTIVE SUMMARY  
The president oversees the administrative structure of the College to reflect the institution’s purpose. Each vice president of the College oversees a well-organized cluster of managerial units, each of which is an integral part of the planning process, reporting to the College Planning Council (CPC) on a monthly basis. Senior staff itself formally meets each week. Grant funding has greatly increased, and processes for seeking and administering grants have been reorganized and more fully integrated into overall College planning, as previously detailed in this Report.39

SELF EVALUATION  
As a result of these efforts, the College is completing its first full cycle of plans under a revised College Planning Policy and Procedures Manual to fulfill the expectation of the 2008 interim visitation team that by 2012, the College would have attained a level of self-sustaining quality improvement in its planning and budgeting processes.

IVB2b. The president guides institutional improvements of the teaching and learning environment by the following:
• Establishing a collegial process that sets values, goals, and priorities;
• Ensuring that evaluation and planning rely on high quality research and analysis on external and internal conditions;
• Ensuring that educational planning is integrated with resource planning and distribution to achieve student learning outcomes; and
• Establishing procedures to evaluate overall institutional planning and implementation efforts.

DESCRIPTIVE SUMMARY  
A top priority of the incoming College president was to affirm the collegiality of decision-making processes throughout the institution, supporting and strengthening the data-driven planning model already put in place.

College research and planning were integrated into a single Office of Institutional Effectiveness headed by a new College dean. Its work is
DESRIPTIVE SUMMARY (continued) essential to the unit plans regularly revised by all managerial units, reflecting the results of program reviews that in turn reflect the results of student learning and service area outcome assessments. Each cluster regularly reviews its priorities accordingly. Decisions of the CPC reflect these reviews, determining what grant directions are sought and where limited resources are used.

SELF EVALUATION Completion of student learning and service area outcomes assessments during the current accreditation cycle enable the College for the first time to base program reviews on these results and, as detailed in previous sections of this Report, incorporate the outcomes in College plans.

IVB2c. The president assures the implementation of statutes, regulations, and governing board policies and assures that institutional practices are consistent with institutional mission and policies.

DESRIPTIVE SUMMARY Board policies and new regulations are reviewed with the vice presidents as they are established at the weekly senior staff meetings. Policies that impact the institution as a whole are also referred to the Academic Senate president for review and/or to the College Planning Council as the College Governance Agreement and Planning Manual provide.

SELF EVALUATION The performance evaluation process of the College Planning Council assesses College conformance to accreditation requirements. The pending revisions of the College Participatory Governance Document reflect the 2010-2011 evaluation.

IVB2d. The president effectively controls budget and expenditures.

DESRIPTIVE SUMMARY From its inception in 1949 to the adoption by the District of a new funding allocation model in 1991, the College was one of the few in the Los Angeles Community College District that always balanced its budget. Then, after the new funding model was instituted, budget problems were chronic, and for twelve years, despite searching analysis of finance patterns, painful cost reductions, and promising revenue development, deficits were continual, as detailed in the institution’s 2006 Self Study.

On taking office in August, 2010, the top priority of the new President was balancing the College budget. Budget Committee meetings increased in frequency, scope, and significance; the 2010-2011 budget was balanced. But when the year came to an end with no formal recommendations beyond this from the Budget Committee to the College Planning Council (CPC) or from it to him, Mr. Martinez proposed the creation of a special workgroup to develop a recommended set of budgeting principles and an implementing
plan to meet this year’s District mandate for further budget reductions
district wide and to assure positive year-end balances for the College in the
long term. This workgroup includes the vice president of administrative
services and her staff, the Budget Committee faculty co-chair, and other
Academic Senate representatives. It has met weekly since the fall of 2011,
budgeting principles are being developed and cluster expenditures reviewed.
Recommendations will be approved by the full Budget Committee, CPC,
and the College President for implementation by the cluster planning
committees.42

To strengthen this commitment to fiscal integrity for the College, a Dean of
Economic and Workforce Development was hired in July 2011 to prepare
authorized grant proposals and monitor grant administration. Since then the
College has obtained $6 million in federal and state grants to support
programs reflecting College priorities, including Science, Technology,
Engineering, and Mathematics (STEM) grants and Career Technical
Education (CTE) programs.

Prior to the arrival of the new President at the College, the LAHC
Foundation still maintained an increasingly successful golf tournament but
no other fund-raising activities of significance. In his role as an ex officio
member of the Foundation Board of Directors, President Martinez renewed
the energy of the board for a major increase in fundraising and has recruited
new board members who are leaders in local business and industry.

The balancing of the College budget and the planning for continued
balances in the years to come is a transformational expression of
institutional integrity. Moreover, a significant by-product is the visible
enhancement of the credibility and standing of the College in all District
deliberations.

IVB2e. The president works and communicates effectively with the communities
served by the institution.

In terms of outreach and communications with the external, surrounding
communities, President Marvin Martinez has established new partnerships
and strengthened existing partnerships and collaborations with the
International Trade and Education Programs (ITEP), the College
Foundation, all Chambers including Wilmington, Harbor City/ Harbor
Gateway, Lomita, Carson, and San Pedro, where he now sits on the Board.
One of the results is that Harbor College and the San Pedro Chamber of
Commerce are co-hosting the 15th Annual Teen Conference, a major yearly
event in which nearly 160 high school students attend various interactive
workshops conducted by adults and teen mentors that give students the tools
and skills to help them stay in school and to chart a course in preparation for
DESCRIPTIVE SUMMARY (continued)

President Martinez has also established partnerships and collaborations with the Port of Los Angeles, PortTech Los Angeles (which now meets monthly at Harbor College), Los Angeles County Economic Development Corporation (LAEDC), City of Los Angeles, and elected officials including Congresswoman Janice Hahn, Assembly member Warren Furutani, Assembly member Bonnie Lowenthal, Mayor Antonio Villaraigosa, Senator Ted Lieu, Carson Mayor Jim Dear, Supervisor Don Knabe, and LAUSD Board Member Richard Vladovic. The result of these partnerships has been unique educational opportunities for our students, faculty and staff, including the Town Hall hosted by Mayor Antonio Villaraigosa, the Air Quality Symposium co-hosted by Assembly members Warren Furutani and Bonnie Lownenthal, the Trade Connect Export Workshop co-hosted by Senator Ted Lieu along with the Port of Los Angeles and the Wilmington Chamber of Commerce, two Los Angeles City Council District 15 Candidate Forums - one co-hosted by Random Lengths News and ILWU Locals 13, 63, & 94 and the other by the Harbor Alliance of Neighborhood Councils and other community organizations.

To expand student exchanges and opportunities for international students, President Martinez accepted the invitation to sit on the Board of the Hispanic Association of Colleges and Universities (HACU) Commission on International Education, the purpose of which is to create and sustain partnerships between HACU national and international member institutions and other parties interested in promoting international education.

President Martinez has increased electronic and printed communications with communities served by our institution through the use of social media such as Facebook and Twitter, the campus email system, the Harbor College Website, and the printed and electronic publications Harbor Happenings and Report to the Community 2010-2011.

SELF EVALUATION

In less than eighteen months in his position, the college president has had a significant impact on the institution.

He has built goodwill and open lines of communications with the external
community as well as the internal campus community, providing an opportunity for an exchange of information and feedback to use to continue to improve the campus. He has increased the opportunities for exchanges of information and opportunities for feedback on how well the campus is doing through his attendance of College Academic Senate meetings, cluster meetings, the College Planning Council (CPC), and the College Foundation.

The president’s focus on balancing the College budget has enabled the College to achieve that long-deferred objective, perhaps the most important milestone, along with the bond construction program, in the modern history of the College.

**IVB3.** In multi-college districts or systems, the district/system provides primary leadership in setting and communicating expectations of educational excellence and integrity throughout the district/system and assures support for the effective operation of the colleges. It establishes clearly defined roles of authority and responsibility between the colleges and the district/system and acts as the liaison between the colleges and the governing board.

**IVB3a.** The district/system clearly delineates and communicates the operational responsibilities and functions of the district/system from those of the colleges and consistently adheres to this delineation in practice.

**DESCRIPTIVE SUMMARY**

The areas of responsibility of the District Office and its nine colleges are governed through legislation, the Education Code, board rules, administrative regulations, and current and past practices. In 1999, the Board of Trustees adopted a policy of partial administrative decentralization, which shifted additional responsibility and accountability for planning and decision making to the local college level. Since the adoption of the principle of decentralization, the district and the colleges have worked to clarify and delineate operational responsibilities.

The District has been actively engaged in addressing this standard since it participated in the ACCJC’s first Multi-College Pilot Program in 1999. Several generations of functional maps delineating the mutually-defined operational roles and responsibilities of the district system and the colleges have been produced since then. The 2008 version was a 130-page document containing descriptions of the roles of the Board of Trustees and its committees, the functions and membership of 56 district wide governance and administrative committees, a definition of the functional relationship between the district and the nine colleges, a grid of District Office Service Outcomes (DOSOs) detailing the function of each division and administrative unit and outlining its relationship with its college counterparts, and flow charts showing participation in administrative processes.
The ACCJC evaluation teams visiting three of our colleges (City, East, and Trade-Tech) in 2009 agreed that while the 2008 Functional Map might not have been sufficiently publicized at the campus level, it did successfully delineate the roles and responsibilities of the district and the colleges, noting that they “have made significant progress... in detailing [their] administrative and governance roles and processes”\(^{46}\) and that the Functional Map “provides a framework for clarifying roles and responsibilities of the district office and where they interact with the colleges”.\(^{47}\) However, the teams felt that the District needed to take the additional step of evaluating the accuracy of the delineation of district/college roles and responsibilities and use the information to improve effectiveness.

To respond to this recommendation, the LACCD District Planning Committee (DPC) created a project that culminated in a full assessment and revision of the 2008 Functional Map.\(^{48}\) This process engaged faculty, staff, administrative, and student leaders in a dialogue on the mutual roles and responsibilities of the colleges and the district system. The project included the following activities:

**Review and Revision of District Office Service Outcomes (DOSOs)**

A 72-page segment of the Functional Map offered a detailed description of the relationship between district level administrative units and their college counterparts. So that the service outcomes in the revised handbook would accurately reflect their operational responsibilities, in fall 2009, all District Office administrative units reviewed their sections for accuracy, simplified and condensed descriptions of functions, when possible, and checked to be sure that outcome measures were feasible and appropriate. The new, more accurate draft version was circulated among primary user groups for critique and comment and suggestions were used to produce a final version of the DOSOs.

**Update of District wide Committee Descriptions**

All standing district wide committees and councils were asked to revisit and revise their descriptions using a new template to provide uniform information on the committees’ description and charge, reporting authority, consultation and collaboration, chair and membership by position, meeting dates and times, and date of annual self evaluation and goal setting.\(^{49}\) Revised descriptions with templates of more than 50 district wide committees were sent to the DPC in February 2010 for inclusion in the new handbook.

**Expansion of the Functional Map**

Realizing it was necessary to include more detail on district wide governance, planning, and decision-making processes, the DPC incorporated additional sections to clarify the principles of governance in a
DESCRIPTIVE SUMMARY (continued)

partially decentralized district, policy formulation processes, the roles and responsibilities of stakeholder groups and district wide committees, and the process and timeline for cyclical evaluation of effectiveness and revision of the new handbook. This was done in conjunction with a district wide effort to assist the colleges to document their governance and planning processes by creating college handbooks. After researching several models, the DPC designed a template for colleges to use as a guide. The DPC reviewed the new segments and members of appropriate stakeholder groups reviewed sections on participatory governance.

Survey
The DPC also launched a survey to assess the accuracy of the current definition of the district/college relationship. The results were used to create an Assessment Report with action items for continuous improvement of district/college role delineation. [See IV.B.3.g for details of this evaluation.]

Replacement of the 2008 Functional Map
All of the efforts described above led to the replacement of the 2008 functional map with the LACCD District/College Governance and Functions Handbook, which was approved by the Board of Trustees in March 2010 and was posted on the District Website and distributed to the colleges and constituency groups.

SELF EVALUATION

Operating within the framework of a large multi-college district, it is an ongoing challenge to delineate roles. Decentralization is a work in progress that requires periodic review and alterations. The district has become partially decentralized, with some decisions made locally and others made by the District Office and district governance bodies. In relation to curriculum, for example, some characteristics of a course are determined by the college and some by the district. Other functions, such as hiring decisions, are decentralized.

In the past several years, district efforts, including the delineation of District Office Service Outcomes, the on-going process mapping project, the institution of Customer Satisfaction Surveys [see IV.B.3.b], and the formal delineation of District wide committees, have greatly improved the understanding of roles and responsibilities across the district for all campus constituencies.

The new District Governance and Functions Handbook serves as a convenient, user-friendly guide to district/college roles and responsibilities and decision-making processes and provides employees with a more accurate and informed understanding of the District’s role in relation to the colleges. The Vice Chancellor of Educational Programs and Institutional Effectiveness keeps the online edition updated. Beginning in spring 2012, the Handbook will be re-assessed and revised on a two-year cycle [see
IVB3b. The district/system provides effective services that support the colleges in their missions and functions.

DESCRIPTIVE SUMMARY
The District’s primary purpose is to provide operational and logistical support to the colleges. In this effort, the District Office offers an array of support services. The main services involve instructional and student services support, institutional research, human resources, business services (including contracts and risk management), financial services (budget and accounting), legal services, public relations and marketing, facilities planning (including oversight of the $6 billion construction program), and information technology. Collaborative procedures between the District and the colleges include the budget allocation model, submission of state MIS data, and implementation of board rules. Each college, through its own local budget allocation process, determines specific operational and educational priorities.

The District Strategic Plan 2006-2011 identified among its goals the development of a district wide “culture of service and accountability” to maximize the ability of the colleges to act efficiently as independent entities while enjoying the benefits of being part of a large, multi-college district.

To assess the District’s effectiveness in providing these services, Customer Satisfaction Surveys for every major service unit in the District Office were piloted in fall 2008 and continue to be collected. The results of these surveys are used to improve unit performance and further refine District Office operations.

SELF EVALUATION
The district’s ongoing self-analysis [see IV.B.3.a] has resulted in recommendations for the re-organization of administrative unit structures and the refinement of functions. Involving input from all nine colleges, this has resulted in the establishment of clear outcomes for all district administrative offices, which are being used to measure the effectiveness of support services. For example, respondents answering the Human Relations survey reported that they needed to increase their knowledge about the products, services, and staff in that division. In response, the HR Division created a series of publications called HR Guides and other useful resources, which they posted on the District’s intranet. The division also established an HR help desk.

When District IT sent out its satisfaction survey, most colleges overwhelmingly responded that they were dissatisfied and frustrated with
the current Student Information System, which was purchased in 1982. Consequently, a consultant firm was brought in to assess District needs and a new Student Information System was added to the list of Proposition J bond projects.

As a result of another client satisfaction report, the Office of Diversity Programs concluded that it needed to provide more training in compliance issues (e.g., sexual harassment and reasonable accommodations), provide guidance, leadership, and direction on diversity and equal employment issues (so as not to be only associated with investigations of complaints), and to continue providing technical assistance to colleges on prohibited discrimination complaints. Since receiving this feedback, the Office of Diversity Programs has provided more training and assistance to colleges.

Although many administrative functions have been decentralized to the nine colleges, most of the functions the District performs are, for technical or financial reasons, best carried out centrally. For example, several years ago the district Human Resources and IT Divisions replaced the out-dated “homegrown” paper payroll system with an automated version. This conversion to SAP originally created a number of problems for college staff. To address these problems, the District designated and trained personnel (Single Point of Contact staff) on each campus to deal with SAP-related payroll issues. The District created an Employee Service Center to assist all LACCD district employees with payroll, benefits, retirement, and other personnel matters. When colleges expressed the need to reduce the time it took to establish budgets for new Specially Funded Programs, the Office of Budget and Management Analysis streamlined the process and set up trainings.

Another example of the district’s role in supporting the colleges is offered by the project undertaken in 2007 to upgrade college Websites. Working collaboratively, college public information officers met with District staff and outside consultants to design templates for college Web pages. This project, now fully implemented, has greatly enhanced district wide communications and provided valuable support to college PIO staff.

Additionally, the District Office staff is working with the colleges to map our business processes in anticipation of the roll-out of the new Student Information System, which will greatly increase efficiency. This new administrative software will support the need for information on college and district finances, student information, and HR/payroll, and assist with open source software, cloud computing, and Web hosting.

Online program review is currently being tested by District IT. Once it ‘goes live,’ it will be a useful tool the colleges can use for integrated planning.
IVB3c. The district/system provides fair distribution of resources that are adequate to support the effective operations of the colleges.

**DESCRIPTIVE SUMMARY**

The District Budget Committee (DBC) develops and oversees implementation of the district’s resource allocation model. In 1999, the DBC was restructured to include additional faculty representation; it is now comprised of the nine college presidents and representatives from the administrative units, the DAS, and the collective bargaining units.

Since 2000, the DBC has periodically reviewed and evaluated the allocation model and recommended changes when deemed necessary. Among these have been changes to the way colleges receive growth funds and basic skills money, a “window shade” approach to the allocation of growth dollars, and the creation of growth targets/ceilings, designed to maximize FTES growth and basic skills revenue. An FTES Allocation Taskforce, convened in 2005, concluded that the FTES allocation formula adequately provided resources necessary for the colleges to serve their communities and should be continued. In 2001, the DBC instituted allocation grant procedures to assist colleges that had temporary trouble balancing their budgets by allowing a college ending the year in deficit to apply for debt relief. If the college followed DBC recommendations, a portion of the deficit was offset with funds from the district’s contingency reserve. In 2007, the DBC decided that a college ending the year in deficit for more than $500,000 or 1 percent of its budget (whichever was greater) was required to submit a financial plan and participate in a quarterly review.

As a result of a 2006 third-party review of allocation mechanisms, instituted to assure that the smaller colleges were not being negatively impacted, in 2007 the District instituted a new budget allocation model, based on SB361, to distribute resources to its institutions. This model, which parallels the state budget formula, provides for base funding based on the size of the college, credit FTES, regular non-credit FTES, and enhanced non-credit FTES. It also takes into consideration any COLA, growth, or other revenue received and any balances and open orders. The District distributes funds to the colleges, after a foundation grant, on a credit FTES basis with a two-tiered basis for noncredit (i.e., noncredit and noncredit enhanced) less assessments to pay for centralized accounts, district office services, and set aside funds for the district’s contingency reserve. The rules for enrollment decline and restoration are also spelled out in the model, and the final budget must be approved by the Board of Trustees.57

The model differs from the state formula in one respect - it increases the foundation grant for the district’s four smaller colleges (Harbor, Mission, Southwest, and West) by $500,000, modified by COLA adjustments each
year from the contingency reserve. This augmentation was made in acknowledgment of the additional administrative, business, and operational expenses incurred by the smaller colleges. In addition, Trade-Technical College requested and was granted a budget augmentation of $500,000 in light of its large proportion of high-cost CTE programs. District wide assessments were changed from a percentage of college revenue over total district revenue to a cost per FTES basis, in order to make the system more equitable. The District Office budget allocation was not set at a fixed percentage and its budget is periodically reviewed. However, when colleges are required to reduce their budgets in response to state budget cuts, the District Office must also do the same.

The District budget allocation model and the challenges faced by individual colleges continue to be addressed. In summer 2008, the DBC formed a subcommittee, the Fiscal Policy and Review Committee, to address the situation of colleges that continued to experience budget difficulties and to consider new approaches for enhancing college fiscal stability. To address an action item – “Review the District Budget Process” – that resulted from surveys on college roles/functions and district wide governance conducted in 2009 [see IV.B.3.g], the FPRC and the DBC met at least monthly to review their roles and responsibilities. In May 2011, the FPRC was renamed the Executive Committee of the DBC and the charges for both committees were revised to ensure that the budget planning policies were consistent with the District Strategic Plan.

The Executive Committee of the DBC is reviewing the District’s current budget allocation formula, examining base allocations, the use of ending balance policy, assessments for District Office operations, enrollment growth targets, and the college deficit repayment policy. It has been looking at other multi-college district budget models (e.g., Ventura, San Diego, and Los Rios) to determine whether it is necessary to develop a new model or make changes to the current one.

The allocation of resources is one of the District's most challenging tasks. However, revisions made to the allocation process in the past few years have created a more equitable and efficient system that reflects the needs and priorities of the colleges, namely sufficient funds to support FTES targets established by the DBC. Furthermore, the system takes into consideration the needs of each institution.

The most important priority of all the colleges is to protect the instructional program. An example of this commitment was the distribution of $6.83 million from the District's projected balances. This budget augmentation to all nine colleges was for estimated employee benefit costs of $4.33 million and increased utilities and Maintenance and Operations costs associated with the new buildings built with bond funds, estimated at $2.5 million and
SELF EVALUATION (continued)

distributed to each location based on gross square footage.\textsuperscript{59}

The revenue-based allocation model that mirrors formulas in place at the state level is a data-driven model that is consistent with board policy, which stipulates that college funding be allocated in a manner similar to the way that revenues are received by the district. This change—from an “expenditure model” to a “revenue model”—encourages fiscal accountability on the part of the colleges.

The model is based on a realistic assessment of the needs of each institution, as seen in its augmentation for the smaller colleges and Trade-Tech. The DBC also approved $675,616 in ongoing assistance to Southwest College for the upkeep of its baseball fields and assistance to Mission College by forgiving $500,000 of its deficit when the college presented a realistic plan to balance its budget.

Any college that wished to have its deficit forgiven was able to make a request to the DBC through the Allocation Grant Task Force. The allocation grant process, which required colleges to re-pay shortfalls while submitting to more rigorous oversight, was designed to encourage budgetary restraint while assuring institutional stability.

With the current district wide budget shortfall of $28.7 million due to cuts to state apportionment for Fiscal Year 2011-2012, the DBC moved away from the concept of an allocation grant process since so many colleges were projected to have shortfalls. In spring 2011, the committee issued recommendations to the colleges to help them establish balanced budgets for 2011-2012. All colleges are expected, at a minimum, to make a 5 percent cut. Colleges that find themselves in deficit and need more funding may request access to the District's balances after meeting the following criteria:

1. The college has reduced at least 5 percent of its planned expenditures below the 2010-2011 expenditure level;
2. The college does not have sufficient funding to maintain its enrollment offerings to meet the funded base FTES;
3. The college has used up all its balances.\textsuperscript{60}

The District also authorized the suspension of college debt repayments for 2011-2012 and 2012-2013 and restructured the payback plan from a three-year to a five-year plan.\textsuperscript{61}

IVB3d. The district/system effectively controls its expenditures.

DESCRIPTIVE SUMMARY The District has established financial control mechanisms to effectively control expenditures. Every college president is responsible to the
chancellor for the management of his/her college's total budget and must establish a process for budget development and management; every vice chancellor is responsible for his/her District Office budget. Each is expected to maintain a balanced budget and be effective in the utilization of financial resources. Included in the process is an opportunity for constituent groups of the college community to make recommendations. Each college is required to prepare a fiscal report for the first, second and third quarters of the fiscal year, a report that provides the status of the college's budget and its projected fiscal obligations for the year. The first quarter report, due in November, includes preliminary data on the fall semester. Beginning with the second quarter report, colleges are expected to project an annual expenditure and identify the steps necessary to maintain a balanced budget.

Any college ending the year in deficit that is greater than 1 percent of its budget or $500,000, whichever is greater is required to:

1. Perform a self-assessment and review.
2. Submit a financial plan that addresses the college financial health.
3. Participate in a quarterly review on the college's fiscal condition.
4. If a college has experienced multi-year deficits, the college may be required to submit a detailed recovery plan for achieving fiscal stability.62

To ensure sound fiscal management and provide a process to monitor and evaluate the financial health of colleges within the district, all nine colleges follow the Operating Standards and Measures for Monitoring and Assessment of College Fiscal Conditions. This standard of good practice covers the development of an annual college financial plan, quarterly status reports on expenditures, the requirement to set aside a 1 percent reserve, and a requirement to balance the college's budget.

As part of the annual district wide budget planning process, each summer the colleges establish FTES targets for the upcoming academic year. At the same time, financial benchmarks are set via preliminary budget allocations. These benchmarks are derived in a way to ensure good management and accountability for a predicted level of students served. As the year progresses each college is measured against this “ideal” or target allocation for managerial control purposes. At the end of the year, the college’s ending balance reflects the success of local management efforts in allocating college resources, and the results are incorporated into presidential evaluations. The deficits that are carried forward reflect the district’s attempts to assert budget management accountability and encourage budgetary rigor. From the perspective of fiscal accounting and control, however, all colleges are granted sufficient resources to end each fiscal year with a neutral ("0") or positive fund balance.

In April 2010, the DBC’s Fiscal Policy Review Committee made
DESCRIPTIVE SUMMARY (continued) recommendations for colleges to establish balanced budgets for 2010-2011 that set criteria for colleges to maintain enrollment (FTES) at 2009-2010 funded FTES levels, meet FON requirements for Fall 2010, and balance their college budgets. Throughout the year, colleges monitor their spending with monthly projections, update their college financial plans, and review their budgets quarterly with the District’s Chief Financial Officer.

As a result of these procedures, the District has maintained at least a 5 percent contingency reserve fund every year since the reform of the DBC and allocation formula in 2006-2007.

The LACCD took significant steps to address the issue of its unfunded liability for retiree health care in fall 2006 by negotiating an agreement to begin pre-funding a portion of its unfunded obligation. The District annually directs 1.92 percent of the previous fiscal year’s fulltime employee payroll into an irrevocable trust, managed through CalPERS. An amount equivalent to the District’s annual Medicare D refund is also diverted from its operating budget into the trust. As of June, 2011, the balance in the trust was $30,311,536.07. The Fair Market Value of the Trust on June 30, 2011 was $34,185,180.73. The District monitors its liability and continues to assess the adequacy of its annual contribution.

Although the District does not fully fund the annual (accrued) OPEB cost calculated based on the Annual Required Contribution (ARC), under the current plan, the District has committed to fund each year out of the General Fund the annual retiree health benefit payments ($23,117,855 for fiscal year 2011) plus a 1.92 percent of the previous fiscal year’s full-time employee payroll and Medicare Part D refund invested into the CalPERS irrevocable trust. The contribution for fiscal year 2010-2011 totaled $33,804,289, which was more than 82 percent of the Annual Required Contribution (ARC) of $40,908,000.

Considering that the District prefunds each year 1.92 percent of the total full-time salary expenditures in addition to the annual pay-as-you-go amount, the District will accumulate sufficient funds invested in the irrevocable trust over the next 15 to 20 years to fully fund the ARC and significantly reduce the unfunded liabilities. Even though, over the last three years, the District received less funding from the State due to the budget crisis, the District has not interrupted its annual contribution under the plan. The District is committed to continuing the current contribution plan and will ensure that adequate cash will be available to pay for OPEB liabilities when those costs become due.

In order to maintain control over health benefit costs for employees, the district and employee unions formed the Joint Labor Management Benefits Committee (JLMBC), which works collaboratively to recommend medical
insurance carriers and plans. In 2009, facing a state budget crisis and enormous increases in the cost of health benefits, the JLMBC took action to reduce the cost of health care coverage for both active and retired employees. After a great deal of research and discussion, the JLMBC voted and the Board approved the move to health care plans administered by CalPERS, which took effect January 1, 2010.66 Because of the significantly lower retiree benefit costs under CalPERS, the district was able to reduce its GASB obligation by about $97 million.67

SELF EVALUATION

The District has demonstrated effective control of its expenditures. Since the 1990's the District has consistently ended the fiscal year with a positive balance. Its overall ending balance was over 14 percent in 2009-2010 and over 17 percent in 2010-2011 fiscal years; thus, all district colleges are, in actuality, fiscally stable, including those showing a formal year-end deficit. The maintenance of a significant reserve fund and healthy ending balances has minimized the impact of state budget cuts on local college programs.

The JLMBC has been a successful model for savings in an environment of spiraling health care costs. It won the 2004 AFT Saturn/UAW Partnership Award as an exemplary model of labor-management collaboration that has resulted in delivering cost effective, efficient, high quality services.68 In 2007, the District’s GASB pre-funding plan was cited as a best practice by Governor Schwarzenegger’s Commission on Public Employee Post-Employment Benefits.69 The decision to move the District’s health care plans to CalPERS was an important step to help to control spiraling health care costs and reduce the District’s post-retirement obligation. By switching to CalPERS and self-funding employee dental and vision coverage, the District has saved about $30 million in the last two plan years.70

IVB3e. The chancellor gives full responsibility and authority to the presidents of the colleges to implement and administer delegated district/system policies without his/her interference and hold them accountable for the operation of their colleges.

DESCRIPTIVE SUMMARY

College presidents undergo annual evaluations conducted by the chancellor and are required to file monthly reports on goal setting and campus activities.71 Evaluations contain clear grades for effectiveness in key areas so that presidents can be held accountable for the effective functioning of their colleges. These evaluations are reviewed and approved by the Board of Trustees.
Since the adoption of administrative decentralization, presidents have enjoyed the freedom to make key decisions but are also held directly accountable for their actions.

**IVB3f.** The district/system acts as the liaison between the colleges and the governing board. The district/system and the colleges use effective methods of communication, and they exchange information in a timely manner.

**DESCRIPTIVE SUMMARY**
The District Office has several vehicles for communicating with the colleges. The District provides reports pertaining to such areas as finance, personnel, and demographics. It maintains several databases—including the mainframe computer database (DEC), Protocol, SAP, and Business Warehouse—which allow personnel to access student information and information related to college operations and enrollment management.

District-wide councils and committees, such as the Presidents’ Cabinet, the Vice Presidents of Academic Affairs Council, the Vice Presidents of Administrative Services Council, the Chief Student Services Officer Council, the CTE Deans, the District Budget Committee (DBC), the Student Success Initiative Committee (SSI), the District Planning Committee (DPC), and the Technology Policy and Planning Committee (TPPC), facilitate the sharing of information, which attendees bring back to their campuses. A video conferencing system allows representatives from the nine colleges and the District Office to meet virtually.

Representatives from constituency groups (all collective bargaining units, including faculty, staff, and administration, the academic senate, and students) have seats at the resource table at every board meeting, and comments from the resource table are a standing item on each agenda. Representatives also have the opportunity to take part in the discussion of any item that comes before the board for a vote.

Before board meetings, agendas are posted at the District Office and online, and the colleges’ presidents, vice presidents, academic senate presidents, and bargaining unit representatives receive copies. Minutes of Board meetings are posted on the District Website.

Recognizing that communication has been an issue, the new chancellor, who took office in August 2010, made a commitment to improving communication between the District and the colleges. The Chancellor’s Office issues frequent bulletins to all employees at the colleges with budget updates and relevant information, including resolutions passed by the Board.  

The new chair of the District Strategic Planning Committee made a similar
commitment to improving communication. At its July 2011 meeting, the committee discussed the Strategic Plan Communications Plan\textsuperscript{73}, which is designed to increase employee understanding of how their roles relate to the strategic plan. The committee will conduct a pre- and post-assessment. The goal is to increase the percentage of employees who understand the relationship to 50 percent above the baseline by June 2012.

In the past year, the District Office of Educational Programs and Institutional Effectiveness has taken the following steps to improve communication and the flow of information between the District and the colleges:

1. Established a new link, District-level Governance Committees, on the District home page and moved agendas and minutes from the intranet to this page, entitled LACCD 411.\textsuperscript{74} Collected and posted minutes of key District committees whose minutes were not current; the minutes are now up to date.
2. Added a search feature so that visitors can search for information in the minutes. In the first two months of being posted, the page had over 600 hits.
3. Reminded District-level governance chairs of their responsibility to send agendas to the IE Office at least 72 hours before each meeting as well as approved minutes following the meetings for posting on the District Website.

So that the flow of information can be a two-way street, District IT will pilot a system to allow college constituents to comment and provide feedback on documents, such as plans and proposals, posted by District committees. In August 2011, District IT began the process of completely revamping the District Office Website.\textsuperscript{75}

**IVB3g. The district/system regularly evaluates district/system role delineation and governance and decision-making structures and processes to assure their integrity and effectiveness in assisting the colleges in meeting educational goals. The district/system widely communicates the results of these evaluations and uses them as the basis for improvement.**

**DESCRIPTIVE SUMMARY**

The LACCD has been continuously delineating the roles played by the District and the colleges (see IV.B.3.a) and has a long history of active participatory governance at the district level; however, the effectiveness of its role delineation and its decision-making processes had not been formally assessed prior to ACCJC evaluation team site visits to three of our colleges (East LA, City, and Trade-Tech) in spring 2009. In response to the teams’ recommendations, in fall 2009, the District Planning Committee (DPC) took the following steps to implement a new cyclical process for self-assessment:
Assessment of District/College Role Delineation

In the fall of 2009, the DPC conducted a survey of the accuracy of the definition of the district/college functional relationship as documented in the 2008 Functional Map. Given the size and scope of district operations, the DPC decided to survey faculty, staff, administrative, and student leaders who participate directly in administrative or decision-making processes that involve active district/college collaboration. Respondents were asked to indicate their level of agreement with statements on whether the delineation accurately reflected the roles of the District in relationship to the colleges and were also invited to offer suggestions to make the descriptions more accurate and for administrative or operational changes that they believed would improve district/college effectiveness.\(^{76}\)

The results of the survey, completed by 185 respondents, were presented to the DPC in January 2010 for review and analysis. Suggestions to improve the accuracy of the description of the district/college functional relationship included making the delineation of functions as brief as possible, adding a glossary of terms, and including the names of those responsible for various functions. Suggestions for improving the district/college relationship included improving communication, streamlining operations, creating a district wide ombudsperson to channel concerns, and more time spent by District senior staff at the colleges.

The DPC issued a summary of this project.\(^{77}\) Although most college leaders endorsed the accuracy of the delineation of district/college operational responsibilities as defined in the original Functional Map, to address some of the issues raised, the report included these recommendations:

1. Review the District Budget Process [see IV.B.3.c]
2. Optimize District/College Administrative Operations [see IV.B.3.b]

Assessment of District-level Governance and Decision-making

In fall 2009, the DPC conducted a survey of stakeholder satisfaction with district wide participatory governance, targeting faculty, staff, administrators, and student leaders directly involved in some form of district- or college-level governance. Respondents were asked to indicate their agreement with 21 questions about the roles played by stakeholder groups, the effectiveness of decision-making processes, administrative and Board support of participatory governance, and the effectiveness of decision making in relation to the District’s stated mission. In addition, respondents were invited to indicate problems and suggest solutions.\(^{78}\)

On the 311 surveys completed, results indicated generally positive approval of district level governance overall, tempered with concerns about the effectiveness of communications, the transparency of decision-making processes, and the level of centralization. Most of those surveyed agreed
that all stakeholder groups play an appropriate role and are effectively represented in district level decision making and that the Board supports participatory governance at the district level. Suggestions included more use of video conferencing, e-bulletin boards, periodic status reports to the colleges, open forums, and a Web page dedicated to fiscal transparency. Some felt that the colleges need more freedom to make their own decisions and indicated that geographical dispersion and the large number of stakeholder groups make district level governance cumbersome and time-consuming, which discourages participation and distances district level activity from realities at the colleges.

In spring 2010, the DPC issued a report summarizing the results of the survey and including plans for improving district level governance and decision making processes. The report was approved by the Board in March 2010 and shared with key stakeholder groups.

The four action plans to improve district level governance were the following:

1. Implement a District wide Communications and Transparency Initiative [see IV.B.3.f]
2. Review the District Budget Process [see IV.B.3.c]
3. Streamline District-level Governance and Planning Processes [see Self Evaluation Process below]
4. Enhance Professional Development on District Governance [in process]

The District Academic Senate is taking the lead for Actionable Improvement Plan #4, to develop a professional development training module to be posted on the District Website for use in training constituents about the inter-connection between local shared governance decision-making structures and district governance.

Both of the comprehensive assessment efforts described above led to the creation of the new LACCD District/College Governance and Functions Handbook [see IV.B.3.a].

**District Governance Committee Self Evaluation Process**

The DPC also designed a process for the annual self evaluation of district level participatory governance committees to assure that activities align with the committees’ charges, solicit reflections on achievements, and generate recommendations for improvements.

To guide each committee’s self evaluation, the DPC designed a District wide Governance Committee Self Evaluation Form, an assessment template originally piloted at Los Angeles Mission College. It requires committees to
DESCRIPTIVE SUMMARY (continued)

provide information on such aspects as a monthly summary of major issues addressed, annual accomplishments, obstacles to effective functioning, and future goals. The four district wide committees that performed the self evaluation process in 2010 and 2011 each reported individual issues and recommendations for improvement. District level governance committee self evaluations will be conducted every year and results will be reported to the Board as part of its annual review of District effectiveness.

The Biennial Governance Assessment Cycle

To close the loop on its biennial cycle of governance assessment and improvement, early in spring 2012 the DPC revised the District level Governance and Decision-Making Assessment Survey and sent it out again. The results will be used to craft new recommendations to improve district level governance and decision-making processes and be included in the new District wide Governance Assessment Report to be published in spring 2012. The results of this assessment, along with specific recommendations for further improvement, will be presented to the Board of Trustees in a new report, and District wide governance and decision-making processes will be re-assessed and refined every two years.

For an examination of steps taken to clarify district/college role delineation as a result of the evaluation process described in this section, see IV.B.3.a.

SELF EVALUATION

The new LACCD District/College Governance and Functions Handbook is helping faculty, administrative, staff, and student leaders navigate district wide governance and decision-making processes more effectively. The District’s follow-up regimen – the newly implemented biennial governance assessment cycle and the annual self assessment of District governance committees – was created to improve district level governance and decision-making processes and ensure that ongoing efforts to enhance district wide decision-making are sustainable and lead to continuous improvement of governance processes. The Board’s new District effectiveness review cycle is expected to increase the Board’s ability to monitor district wide progress on all district level strategic goals and Board priorities and help guide district level decision making.

The district’s governance and decision-making structures are collegial and inclusive, with constituents working together to help the colleges reach their educational goals. District leadership actively seeks the participation of local college leaders in decisions that affect all of the colleges. Faculty and staff are well represented on district wide committees. Students have a voice through a student trustee, who sits on the College Planning and Advisory Councils and college president selection committees, and convenes the Student Affairs Committee, which considers policies that impact students.
The citations below include references to “Required Evidentiary Documents, Standard IVB” as stipulated by the Accrediting Commission, all of which can be accessed at the College Website: http://www.lahc.edu/govplanning/accreditation/evidence_IVB.html

1 Board Rule Chapter I Article II; Chapter VI Article I; Administrative Regulation E-64; Board Rule Chapter XVIII Article I
2 Board Decentralization Policies – E-65; Board Rule 10305; Chapter X, Article III; PG B342; Board Rule Chapter VI, Article VIII
3 http://www.laccd.edu/board_of_trustees/standing_committee_minutes/ (p. 3)
4 http://www.laccd.edu/board_of_trustees/standing_committee_minutes/ (p. 3)
5 http://www.laccd.edu/board_of_trustees/standing_committee_minutes/ (p. 3)
6 Capital Construction Committee minutes, p. 3
7 LACCD Strategic Plan 2006-11
8 DPC Scorecard Report and Recommendations for District Strategic Plan
9 District Strategic Planning Committee minutes May, 24, 2011
10 SWOT results district wide
11 LACCD Report on Audited Basic Financial Statements, June 30, 2010
12 Institutional Effectiveness Committee minutes April, May, June 2011
13 Sign-in sheets, training August 2011
14 Board Rules Chapter II Art. III
15 http://www.laccd.edu/board_rules/
16 Chancellor’s Directive #70
17 Administrative Regulation C-12
18 Board agenda August 11, 2010
19 Board Rule 2105
20 Orientation procedures for new student trustees
21 Board member orientation
22 Board retreat minutes January 20, 2010
23 Board Rule 2301.10
24 Board retreat minutes August 25-26, 2011
25 District Effectiveness Review Cycle flow chart
26 Board Rules on Ethical Values
27 Institutional Effectiveness Committee description
28 Board Rule 10307
29 Chancellor’s Directive 122
30 Chancellor Evaluation Data Collection
31 Chancellor Selection Procedures
32 Performance Evaluation Process for College Presidents
33 President evaluation packet
34 Chancellor’s Cabinet memo May 25, 2011
36 2011 Campus Climate Survey, pp. 7-9: http://www.lahc.edu/research/Climate%20Survey%20Results-final.pdf
37 For 2011 College Summit proceedings, see: http://www.lahc.edu/facultystaff/summit2011.html
38 2011 CPC Retreat: http://www.lahc.edu/govplanning/governance/cpc/index.html
41 See the College’s 2006 Self Study, pp. 6-7, 183, 210-11:


42 Multi-College Pilot Project

43 2003-04 Functional Map

44 2008 Functional Map

45 East Los Angeles College evaluation report (p. 49)

46 Los Angeles Trade-Tech College evaluation report (p. 48)

47 DPC Process for Addressing District Recommendations

48 Committee Evaluation template

49 DPC goals

50 Governance Handbook template

51 DPC minutes Feb 26, 2010

52 Planning and Student Success Committee minutes March 10, 2010

53 LACCD District Governance and Functions Handbook

54 District Office Customer Satisfaction Surveys

55 LACCD Benefits Service Center: http://www.laccd.edu/health/

56 2010-2011 Final Budget Allocation, SB361 Allocation Mechanism

57 DBC minutes May 18, 2011

58 DBC minutes June 22, 2011

59 DBC minutes June 22, 2011

60 DBC minutes June 22, 2011

61 Quarterly Financial Status Report

62 Guidelines to Establish a Balanced Budget for 2011-12

63 LACCD Report on Audited Basic Financial Statements, June 30, 2010

64 GASB trust quarterly statement, June 2011

65 Board minutes July 15, 2009

66 Post-Retirement Health Benefits Actuarial Valuation Study September 22, 2010

67 JLMBC Saturn award

68 Public Employee Post-Employment Benefits Commission report (p. 169-173)

69 JLMBC report July 13, 2011

70 Chancellor’s Cabinet memo May 25, 2011

71 Chancellor’s bulletin

72 District Strategic Plan Communications Plan July 2011

73 District Governance Committee webpage:

http://www.laccd.edu/inst_effectiveness/DL_Governance_Committees/

74 District Website Redesign kickoff meeting

75 District/College Roles and Functions Survey

76 District/College Roles and Functions Assessment Report

77 District wide Governance Survey

78 District wide Governance Assessment Report

79 Planning and Student Success Committee minutes March 10, 2010

80 Committees’ Self Evaluations

81